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BEFORE THE ARIZONA CORPORATION

COMMISSIONERS

BOB STUMP - CHAIRMAN
GARY PIERCE
BRENDA BURNS
BOB BURNS
SUSAN BITTER SMITH

Arizona Corporation Commission

DOCKETED

SEP 3 2014

DOCKETED BY

DOCKET NO. WS-04235A-13-0331

IN THE MATTER OF THE APPLICATION OF
UTILITY SOURCE, LLC, AN ARIZONA
CORPORATION, FOR A DETERMINATION
OF THE FAIR VALUE OF ITS UTILITY
PLANTS AND PROPERTY AND FOR
INCREASES IN ITS CHARGES FOR UTILITY
SERVICE BASED THEREON.

DOCUMENT TITLE/NAME

**Exhibits A through D Complied
By Intervener Terry Fallon**

RESPECTFULLY SUBMITTED this 2 day of September, 2014.

ORIGINAL

Terry Fallon
4561 Bellemont Springs Drive
P.O. Box 16104
Bellemont, Arizona 85015

Original and thirteen (13) copies of
the foregoing filed this 2 day of
SEPT, 2014, with:

Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Exhibits A through D

RECEIVED
2014 SEP - 3 A 11: 41
AZ CORP COMMISSION
DOCKET CONTROL

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3 **DOCKET NO. WS-04235A-13-0331**
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6 **Copy of the foregoing mailed this**
2 day of SEPT, 2014, to:

7 Steve Wene, Esq.
8 MOYES SELLERS & HENDRICKS, LTD.
9 1850 North Central Avenue, Suite 1100
10 Phoenix, Arizona 85004
11 swene@law-msh.com
12 Attorneys for Utility Source, LLC

13
14 Daniel Pozefsky
15 Residential Utility Consumer Office
16 1110 West Washington St., Suite 220
17 Phoenix, Arizona 85007

18
19 Erik Nielsen
20 4680 N. Alpine Drive
21 P.O. Box 16020
22 Bellemont, Arizona 85015
23
24
25
26
27
28

Docket Number: WS-04235A-13-0331

Meeting with Ponderosa Fire Station Staff Transcript

Ponderosa Fire Station

P.O. Box 16359

Bellefont, Az.

928-773-8933

Interview with Fire Fighter Sal Unale on July 16, 2014 1100 hrs:

Q. How many times a year has your crew experienced fire hydrant failure?

A. At least four times a year. We had an instance were a hydrant went from 40 PSI to zero recently.

Q. How long ago was that?

A. I think a year ago.

Q. How recently was it when you had hydrant failure during an engine test?

A. Two or three months ago.

Q. Is the hydrant failure documented?

A. No. We call Jeremy (McCaleb).

Q. Typically, how long are the hydrants/pumps down until repaired?

A. One to two days.

Interview with Chief Mark Sachara on July 29, 2014 1200 hrs:

Q. Does more than one fire hydrant fail testing, per test day?

A. Yes. If one fails, than all are out.

Q. Why?

Docket Number: WS-04235A-13-0331

A. Not enough pump pressure at the pump house.

Q. Is fire hydrant failure documented?

A. No. We call Jeremy (McCaleb).

Q. Has Ponderosa Fire ever documented failure issues with Utility Source?

A. I sent a letter to the County (Coconino) two years ago documenting pump and hydrant issues.

Q. Have you ever met with Utility Source about these issues?

A. Only talked with Jeremy (McCaleb) over the phone.

Q. What is the main issue?

A. When the power shuts off, there is no pump pressure because the pump house doesn't have a back-up generator.

Q. How many pumps are there?

A. Two. One is for residential use and the other for commercial/hydrant use.

Q. Besides electrical failure what is another reason the commercial pump would fail?

A. Mechanical failure with the pump itself.

Q. We had a power outage on July 28, 2014 in the mid-afternoon for about 50 minutes. Were the hydrants/pumps working?

A. No. None of the pumps/hydrants would have been working at that time.

WS-04235A-13-0331

Terry Fallon

From: "Mark Sachara" <mark.sachara@ponderosafire.org>
To: <tfeb@q.com>
Sent: Tuesday, July 29, 2014 1:28 PM
Attach: 20140729132825785.pdf
Subject: Hydrant Issues

Terry,

I appreciate your concern regarding the fire hydrants in the neighborhood and I am following up with the earliest date I had contact with Utility Source when we noticed a low pressure situation. I do not feel it is appropriate to send the exact correspondence, but can tell you it was on October 31, 2011. Within a week prior to the October 31st letter of notification, fire department personnel discovered that the fire hydrants did not have adequate pressure to supply water needed for firefighting. Since the first observation of low pressure, there have been at least two other occasions where the fire department notified Utility Source of low pressure. It is my understanding that adequate repairs have been made. The County Subdivision Ordinance adopted in May 1982, particularly Section 6.4.1, is attached in this email. The hydrants in Flagstaff Meadows did not meet the minimum flow requirements in October 2011. Further, the fire code adopted by the fire district requires hydrants to be maintained in an operative condition at all times (International Fire Code sections 507.1 and 507.2).

I hope this information is what you were looking for and if you need additional information please don't hesitate to contact me.

Sincerely,

Mark Sachara

--

Mark Sachara, Chief

Ponderosa Fire District

928-773-8933

mark.sachara@ponderosafire.org

**Lighting report for the HOA
Flagstaff Meadows
August 12, 2007**

I spoke with those with the Planning and Zoning Commission. The first part of the report is the **Resolution of the Commission concerning Phase I, Phase II and the town homes.**

The next section with the **yellow tab is the actual Coconino Lighting regulations.** The first report governs. There are no exceptions or chances of waivers.

The next sections are informational with the last being our actual CC&R concerning lighting.

All lighting shall be shielded, no exception..

Dennis O. Jones
Director
Flagstaff Meadows HOA

RESOLUTION NO. 2101A RESOLUTION OF THE
COCONINO COUNTY
PLANNING AND ZONING COMMISSIONRECOMMENDING APPROVAL OF A PRELIMINARY SUBDIVISION PLAT

The Planning and Zoning Commission of Coconino County does resolve as follows:

SECTION 1: The Planning and Zoning Commission does hereby find and determine that an application was duly initiated by Lonnie C. McCleve, Gilbert, Arizona (Case No. S-01-01), with respect to the real property described as follows:

71.17 acres located in Bellemont on the north side of I-40 east of the truck stop and identified as Assessor's Parcel Number 203-03-001E and a portion of 204-03-001D

requesting Preliminary Plat approval for a 213 lot (Flagstaff Meadows) Subdivision; that a hearing was duly set for January 30, 2001 at 5:00 P.M. in the Board of Supervisors' Meeting Room, Coconino County Administrative Center, Flagstaff, Arizona; and a notice of the date, time, place and purpose of aforesaid hearing was posted in the area; that a hearing was duly held at aforementioned time and place.

SECTION 2: The Planning and Zoning Commission further finds and determines that facts DO exist as required in the Coconino County Subdivision Ordinance justifying the recommendation for approval of the Preliminary Plat.

SECTION 3: Based on the aforementioned findings, the Commission hereby recommends to the Board of Supervisors with respect to the real property described in Section No. 1 above that the Preliminary Plat be approved subject to the following conditions and to the waivers listed in Section 4:

1. Flagstaff Meadows shall be limited to a maximum of 213 single family residential lots and Tracts A through M. The intended use of said tracts for landscaping, drainage, public utilities, effluent storage, and pedestrian pathways shall be noted on the final plat. The final plat shall substantially conform to the approved preliminary plat.
2. All development shall conform to the Property Development Standards and Performance Standards of the RS-6,000 Zone, Section 10, Coconino County Zoning Ordinance.
3. The final plat shall conform to the requirements of Article 4 of the Subdivision Ordinance.

Resolution No. 2101
Case No. S-01-01
Page Two

4. Prior to submittal of a final plat application, construction plans shall be submitted to and approved by Coconino County Public Works and the County Engineer for drainage, road design, grading and excavation, and any other improvements in County right-of-way including cattle guards, utilities, pedestrian pathways, signage, etc.
5. All roads and streets within and pertinent to the subdivision, including the access road from the Bellemont interchange to the subject property shall be constructed and/or improved to current Coconino County standards subject to approval of the County Engineer.
6. Improvements shall be required at the intersection of the access road and the Bellemont interchange subject to the approval of ADOT and the County Engineer. The intersection improvements shall include the relocation and/or replacement or upgrade of the existing ADOT street light subject to ADOT's approval.
7. The final drainage plan shall ensure that the on-site detention basins can accommodate flow from a 100-year storm event, and outflow shall be metered out so that post-development flow off the property does not exceed pre-development flow.
8. A pedestrian pathway network shall be provided along one side of all interior streets, as well as around the perimeter of Tract "C", and including the cross-block sections as shown on the preliminary plat. The pathway shall be constructed according to design standards acceptable to the County Engineer. The cross-block pathways shall be fenced on both sides of said tracts.
9. A domestic water supply and distribution system shall be provided in accordance with the minimum requirements of Section 6.4.1.C of the Subdivision Ordinance. Engineered plans designed to meet these requirements must be submitted to Public Works, and an "Approval to Construct" obtained from ADEQ prior to final plat application.
10. A wastewater treatment plant and collector system shall be provided in accordance with Section 6.4.1.E of the Subdivision Ordinance, and an "Approval to Construct" obtained from ADEQ prior to final plat application. In addition, a conditional use permit shall be obtained from Coconino County prior to initiation of construction.
11. All utilities shall be installed underground, and electric and telephone lines shall be stubbed to each lot. The final plat shall show continuous eight-foot public utility easements outside of and on both sides of all street rights-of-way.

Resolution No. 2101
Case No. S-01-01
Page Three

12. The subdivision's Conditions, Covenants and Restrictions shall require homeowners to minimize outdoor lighting in order to maintain dark skies and prevent light pollution and light trespass. All outdoor lighting shall conform to the provisions of Section 17 of the Coconino County Zoning Ordinance for Astronomical Zone II with the following additional restrictions:
- a) All outdoor lighting shall be fully shielded as defined by Section 17.3, and there shall be no exception for lamps below 1,000 lumens as described in Section 17.9.G.
 - b) No outdoor lighting may be on "dusk to dawn" switches or timers except for street lights lighting public right-of-way where required.
 - c) Motion detector switches are encouraged for outdoor security lights.
 - d) Low wattage holiday decorations are exempt from these provisions, and are permitted as described in Section 17.9.E.
 - e) These provisions shall be enforced by the subdivision's Architectural Review Committee prior to application for building permits, and a County lighting permit application shall be submitted in conjunction with all building permit applications that include outdoor lighting.
13. Fire hydrants and minimum fire flow shall be provided in accordance with Section 6.4.1.D. The engineered plans for the water system shall include certification that the fire flow and pressure requirements of this section will be met. Location of hydrants is subject to the approval of the Parks-Bellefont Fire District.
14. Street names, none of which duplicate any other names in the area or elsewhere in the Coconino County road system, shall be shown on the final plat. Proposed street names are subject to the approval of the local fire district, the U.S. Postal Service, and Coconino County.
15. During construction of all roadways, utilities, etc., dust control measures shall be implemented.
16. A standardized street addressing system shall be established in consultation with Coconino County. The subdivision's C, C, and Rs shall require that street numbers no less than four inches in height and visible from the street shall be posted on every lot.

Case No. S-01-01
Page Four

17. The developer shall install all required street identification and traffic control signs in accordance with the Manual of Uniform Traffic Control Devices and subject to the approval of Coconino County Public Works.
18. A letter from a solid waste collection company shall be submitted stating that service is available to this subdivision.
19. Perimeter fences adjacent to national forest boundaries are subject to Forest Service approval prior to final plat application. A six-foot masonry wall will be required along the entire length of the frontage road.
20. A one-foot no access easement shall be provided along the frontage road for all adjacent lots so that all lots gain access from interior streets.
21. A cash deposit, letter of credit, performance bond, or other acceptable financial security shall be made with submittal of the final plat application for the costs of any improvements not already completed plus a 10% contingency. Improvements include, but are not limited to, all roadways including off-site road improvements, pedestrian pathways, drainage structures, water and wastewater systems, hydrants, fencing, utilities, traffic control signs, and street identification signs. The financial security shall be posted for a specific time period, during which time all required improvements shall be completed, unless a time extension is granted.

SECTION 4: In a separate motion the Planning and Zoning Commission approved the following waiver(s) of the Coconino County Subdivision Ordinance:

1. Section 5.3.G provides that no lot shall have double frontage except where necessary to provide separation of residential development from traffic arterials or to overcome topographic or orientational difficulties. 35 lots along the frontage road are double-fronted lots.
2. Section 5.2.A requires a minimum 150-foot curve radius for local streets. There are three locations on the eastern side of the subdivision with a 42-foot curve radius.

SECTION 5: The Secretary shall certify to the adoption of this Resolution and shall transmit a copy to the applicant(s).

Page Five

ADOPTED and APPROVED this 30th day of January, 2001

Chairman, Coconino County
Planning and Zoning Commission

I hereby certify that the foregoing is a true copy of a Resolution adopted by the Planning and Zoning Commission of Coconino County at a regular meeting thereof held the 30th day of January, 2001, by the following vote of the Commission:

CONDITIONS:

AYES: Copley, Flores, MacDonald, C. Taylor, N. Taylor, Watters

NOES: Burke

ABSTENTIONS: None

WAIVERS:

AYES: Copley, Burke, Flores, MacDonald, C. Taylor, N. Taylor, Watters

NOES: None

ABSTENTIONS: None

ABSENT: Crosman

Secretary, Coconino County
Planning and Zoning Commission

RESOLUTION NO. 2342A RESOLUTION OF THE
COCONINO COUNTY
PLANNING AND ZONING COMMISSIONRECOMMENDING APPROVAL OF A PRELIMINARY SUBDIVISION PLAT

The Planning and Zoning Commission of Coconino County does resolve as follows:

SECTION 1: The Planning and Zoning Commission does hereby find and determine that an application was duly initiated by Greenfield Land Development, Gilbert, AZ (Case No. S-03-04), with respect to the real property described as follows:

23 acres in the Planned Community Zone in an area designated for single family residential use, is located east of the Bellemont truck stop and is identified as Assessor's Parcel Number 204-07-140,

requesting Preliminary Plat approval (Flagstaff Meadows, Unit II, for 89 lots); that a hearing was duly set for May 27, 2003 at 5:00 P.M. in the Board of Supervisors' Meeting Room, Coconino County Administrative Center, Flagstaff, Arizona; and a notice of the date, time, place and purpose of aforesaid hearing was posted in the area; that a hearing was duly held at aforementioned time and place.

SECTION 2: The Planning and Zoning Commission further finds and determines that facts DO exist as required in the Coconino County Subdivision Ordinance justifying the recommendation for approval of the Preliminary Plat.

SECTION 3: Based on the aforementioned findings, the Commission hereby recommends to the Board of Supervisors with respect to the real property described in Section No. 1 above that the Preliminary Plat be approved subject to the following conditions:

1. All conditions of approval of Case No. S-01-01 as reflected in Board of Supervisors Resolution No. 2001-19 shall remain in full force and effect except as modified herein.
2. The total number of lots of Flagstaff Meadows (including Units I and II) shall be limited to 222 single family residential lots, in addition to the commonly-held tracts identified for landscaping, drainage, and public utilities. The lots/tracts of Unit II shall be numbered/lettered consecutively as a continuation of those for Unit I.
3. All interior streets shall include a minimum of 50-foot right-of-way, as well as 50-foot radius cul-de-sac right-of-way, and shall otherwise meet all applicable County design standards subject to the approve of the Public Works Department.

Resolution No. 2342
Case No. S-03-04
Page Two

4. The proposed 700-foot cul-de-sac shall be shortened to 600 feet to meet the County design standards, and the lots at the end shall be redesigned as necessary and in accordance with the development standards of the RS-6000 Zone.
5. Street names in Unit II shall not duplicate any street names in Unit I, and shall otherwise be subject to the stipulations on Condition No. 14 in Resolution No. 2001-19.
6. A revised final plat application shall be submitted for Unit I to add the minimum cul-de-sac radius right-of-way where Greenfield Drive no dead ends, and to eliminate the excess stub of Flagstaff Meadows Drive at the entrance to Unit I.

SECTION 4: The Secretary shall certify to the adoption of this Resolution and shall transmit a copy to the applicant(s).

ADOPTED and APPROVED this 27th day of May, 2003

Chairman, Coconino County
Planning and Zoning Commission

I hereby certify that the foregoing is a true copy of a Resolution adopted by the Planning and Zoning Commission of Coconino County at a regular meeting thereof held the 27th of May, 2003, by the following vote of the Commission:

AYES: Sacher, Barotz, Buzzard, Cooper, Flores, Garcia

NOES: None

ABSTENTIONS: None

ABSENT: Taylor, Crosman

Secretary, Coconino County
Planning and Zoning Commission

RESOLUTION NO. 2003--_____

A RESOLUTION OF THE COCONINO COUNTY
BOARD OF SUPERVISORS APPROVING A PRELIMINARY PLAT
FOR FLAGSTAFF MEADOWS TOWNHOMES FOR 108 LOTS AND
GRANTING WAIVERS FROM THE SUBDIVISION ORDINANCE

WHEREAS, an application was filed by Greenfield Land Development (Case No. S-03-03) for preliminary subdivision plat approval for 108 lots for Flagstaff Meadows Townhomes on property in the Planned Community Zone, located on the north side of I-40 south of the Flagstaff Meadows subdivision in Bellemont, and identified as an 11.95 acre portion of Assessor's Parcel Number 204=07-141; and

WHEREAS, the Planning and Zoning Commission held a duly noticed public hearing on March 25, 2003 and approved the preliminary plat; and

WHEREAS, the Board of Supervisors held a duly noticed public hearing on May 20, 2003; and

WHEREAS, the Board of Supervisors has determined that the findings for the granting of preliminary plat approval have been met;

NOW THEREFORE BE IT RESOLVED that the Coconino County Board of Supervisors hereby approves the preliminary plat for the 108-lot Flagstaff Meadows Townhomes subdivision subject to the following conditions:

1. The subdivision shall be limited to 108 lots. The final plat shall substantially conform to the preliminary plat and shall conform to Section 4 of the Subdivision Ordinance.
2. Prior to submittal of a final plat, detailed engineering plans acceptable to the County Public Works Department shall be submitted for drainage and road design. All grading and excavation shall be subject to approval of a grading permit by the Public Works Department.
3. Arizona Department of Environmental Quality (ADEQ) approval for water supply and wastewater system shall be obtained prior to filing for a final plat.
4. Electric and communication facilities shall be installed underground. The final plat shall show eight-foot public utility easements on both sides of all roadways.
5. Fire hydrants shall be installed to the specifications of the fire chief of the Parks-Bellemont Fire District. Written approval of fire hydrant locations shall be obtained from the fire chief and provided to Community Development prior to approval of a final plat.

6. Street names, none of which duplicate any other street names in the Flagstaff/Williams areas, shall be required on the final plat. Proposed names are subject to the approval of Community Development.
7. The CC&Rs shall require the postings of street numbers on each residence at least four inches in height and visible from the street.
8. An owners' association shall be established under the CC&R's. The owners' association shall be duly incorporated and shall be solely responsible for maintenance of roads, drainage tracts and proposed open spaces. The CC&R's shall empower the owners' association to make equitable assessments against lots to pay for any such maintenance and to impose liens against lots to secure payment of such assessments.
9. The final plat shall show the area and proposed use of all common tracts not a part of any individual lots.
10. During construction of roadways, installation of utilities, etc., dust control measures shall be implemented as needed.
11. A letter from a solid waste collection company shall be submitted indicating that service is available to the subdivision.
12. All disturbed areas that are not otherwise landscaped shall be revegetated with hydroseeding or planting of other suitable ground cover.
13. A landscape plan for all tracts and common areas shall be submitted prior to final plat approval subject to approval of the Director of Community Development.
14. An eight foot masonry sound wall shall be provided along the property line bordering the interstate highway right-of-way. Design of the wall is subject to the approval of the Director of Community Development. All other perimeter fencing and fencing of lots adjacent to drainage channels and water features shall be as described in the development proposal and all designs are subject to approval of the Director.
15. There shall be a small neighborhood park on Tract 1 with plans for the park to be submitted with the final plat application.
16. The project shall conform to the requirements for Lighting Zone II. A lighting permit shall be required for each building phase.
17. No on-street parking shall be allowed.

18. In accordance with section 4.14 of the Subdivision Ordinance, all improvements must be completed prior to submittal of a final plat or a cash deposit, letter of credit, performance bond, or other acceptable financial security shall be required for the costs of any improvements and construction not completed, plus a 10% contingency. This includes, but is not limited to, all roadways, drainage structures, utilities, traffic control signs, street identified signs, fencing, and landscaping.

BY SEPARATE MOTION the Board approved the following waivers from the Subdivision Ordinance:

1. To allow a 32 foot right-of way in lieu of the required 50 foot minimum.
2. To allow a short (less than 150 feet) dead end roadway without a minimum 50 foot radius turnaround at the end.

PASSED and ADOPTED this 20th day of May 2003.

Deborah Hill, Chair
Coconino County Board of Supervisor

ATTEST:

APPROVED AS TO FORM:
TERENCE C. HANCE, COUNTY ATTORNEY

Clerk, Board of Supervisors

By: _____
Deputy County Attorney

SECTION 17: LIGHTING

Section 17.0: Purpose and Intent

Legislative Intent

- A. It is hereby found that the topography and atmospheric conditions of Coconino County, Arizona, are uniquely suited for astronomical observation, that a substantial investment has been made in observatories in the County, and that the use of certain types of outdoor lights and certain outdoor lighting practices have an adverse impact on astronomical observation. It is further recognized that naturally dark landscapes and star-filled skies are valued by many, and that poor lighting practices in outdoor lighting waste energy, hamper the reasonable use and enjoyment of property and can endanger the public welfare by producing unnecessary glare.
- B. Accordingly, it is the intent of this Ordinance to encourage lighting practices and systems which will minimize light pollution, light trespass, and conserve energy while maintaining night-time safety, utility, security and productivity. Since not all areas in the County are near established observatories, four Lighting Zones are established, allowing increased flexibility in the uses of outdoor lighting further from the observatories.
- C. There may be other areas that are worthy of designation where protection of the night sky is deemed to be highly important, and where the establishment of more restrictive Lighting Zones is desired.

Section 17.1: Conflicting Regulations

- A. In the event of conflict between the regulations set forth in this Ordinance and any other regulations applicable to the same area, the more stringent limitation and requirement shall govern.

Section 17.2: Approved Materials and Methods of Construction or Installation/Operation

- A. The provisions of this Ordinance are not intended to prevent the use of any design, material or method of installation or operation not specifically prescribed by this code, provided any such alternate has been approved by the Community Development Director. The Community Development Director may approve any such proposed alternate provided he/she finds that it:
 1. Provides at least approximate equivalence to the applicable specific requirements of this Ordinance; and
 2. Is otherwise satisfactory and complies with the intent of this Ordinance.

Section 17.3: Definitions

As used in this Ordinance, unless the context clearly indicates otherwise, certain words and phrases shall mean the following:

ABANDONMENT means the discontinuation of use for a period of six months.

Revised: 3/89, 12/97, 12/01

COCONINO
COUNTY

Department of
Community Development

2500 N. Ft. Valley Rd. Bldg. I
Flagstaff, AZ 86001
928.226.2700

Subdivision Ordinance

Adopted May 3, 1982

TABLE OF CONTENTS
COCONINO COUNTY
SUBDIVISION ORDINANCE

ORDINANCE OF ADOPTION NO. 82-3	i
ORDINANCE AMENDMENTS SINCE 1982 ADOPTION	ii
SECTION I Introduction	1
SECTION II Definitions	4
SECTION III Preliminary Plat Procedures	10
SECTION IV Final Plat Procedures	15
SECTION V Subdivision Design Standards	20
SECTION VI Improvements	25
SECTION VII Waivers	34
SECTION VIII Abandonments and Reversions to Acreage	35
SECTION IX Administrative Approval for Minor Subdivisions	37
SECTION X Land Divisions	39
SECTION XI Enforcement	41

Section 6.4.1 - Schedule A Subdivision

Any division of land into six (6) or more parcels, in which the average single-family lot size is 43,560 square feet or less in net area or in which such parcels are for the purpose of multiple-family, commercial or industrial uses, shall be defined as a Schedule "A" Subdivision. The minimum improvements for a Schedule "A" Subdivision shall be as follows:

- A. Roads and Streets: All roads and streets including access roads (See Section 6.3.G) within and/or pertinent to the subdivision shall be paved with asphaltic concrete or equivalent and chip sealed according to the standards and specifications of the Engineer.
- B. Concrete sidewalks, paved or unpaved pedestrian paths, bike paths, equestrian trails, concrete curbs and gutters may be required, and when installed, shall be placed in conformance with County standards.
- C. Domestic Water: The minimum requirement for domestic water supply and distribution system is as follows:
 - 1. Water Supply: 350 gallons per day per single-family lot and 450 gallons per day per lot for all other lots, in all cases deliverable in a four-hour period.
 - 2. Piped water systems, stubbed out to each lot.
 - 3. Minimum Service Connections: Single-family residence lot--3/4 inch; multiple-family residence lot--1 inch.
 - 4. Minimum pressure to be 20 psi with a workable pressure of 40-90 psi.
- D. Fire Protection: The minimum requirement for fire protection facilities in residential zones that do not allow multi-family residential uses shall be as follows:
 - 1. No Schedule "A" Subdivision shall be established in any area except where fire protection services are provided by either a fire district or association established pursuant to State law.
 - 2. Type of fire hydrant and connection as approved by the agency providing fire protection.
 - 3. Hydrants located one at each street intersection, but not greater than 500 feet apart in any direction connected by a minimum 6 inch water line.
 - 4. Minimum flow of water which a system shall be capable of delivering at any hydrant: 1000 gallons per minute at 20 pounds per square inch flowing pressure above the average daily consumption.
 - 5. For the purposes of this section, 50 gallons per minute is established as the average daily domestic consumption rate for the area served by one fire hydrant.

In zones that allow multi-family residential uses, the minimum fire protection shall be 1000 gallons per minute at 20 pounds per square inch flowing pressure above the average daily domestic consumption.
- E. Sewage Disposal: The minimum requirement for sewage disposal shall be as follows:
 - 1. Connection to an existing collection system is required, or
 - 2. If an existing collection system is not available, then an engineered treatment collection system shall be required. Operation of a treatment system, including collection, treatment and disposal system shall require either the formation of a sanitary district, or annexation to an existing district. If the County Health Authority determines that satisfactory individual disposal systems

EXHIBIT B

Terry Fallon

WS-04235A-13-0331

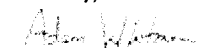
From: "Adam Whitman" <adam@sterlingrem.com>
To: "Terry Fallon" <tfleb@q.com>
Sent: Tuesday, August 12, 2014 12:17 PM
Subject: RE: Big favor

Hello Terry,

1. A good average is that 75 HOA members are late on their monthly dues each month.
2. We are guessing that there has been around 15 foreclosures and short sales in the POA in the last two years. Keep in mind, we are not always aware of these situations. You would need to peruse county records to get a complete number.
3. We currently have 12 accounts in actual collections with the attorney's office.
4. At this time, 5 of the 12 accounts are making payments.

Thank you.

Sincerely,



Adam Whitman / Property Manager
 Mike Hutchins / Broker
 Sterling Real Estate Management
 Phone: (928) 773-0690
 Fax: (928) 773-0766

Adam@Sterlingrem.com

If you have an emergency call Sterling Real Estate Management at (928) 773-0690.

From: Terry Fallon [mailto:tfleb@q.com]
Sent: Tuesday, August 12, 2014 11:14 AM
To: Adam Whitman
Cc: Erik Nielsen
Subject: Big favor

Hey Adam, I need you to do me a big favor. Can you answer these questions?

- 1) How many HOA members are behind in their monthly dues typically?
- 2) How many foreclosures and short sales have there been in Bellemont the last two years?
- 3) How many members do we have in collections?
- 4) How many of those are making payments to the HOA at this time?

I don't need names or addresses obviously, just numbers. I want to protect these folks privacy but need the numbers for the Utility Source hearings. I don't need this yesterday but as soon as possible, when you can. Thanks! - Terry

1/2

8/12/2014

EXHIBIT B

WS-042354-13-0331

Address:

City State Zip

Min Price (optional) Max Price (optional)

Prioritization: ☒ Sale Date ☐ Distance

[Get Recent Home Sales](#)

Mar. 2012 cost of living index in zip code 86015: **84.5** (less than average, U.S. average is 100)

Land area: **5.4** sq. mi.
 Water area: **0.0** sq. mi.
 Population density: **15** people per square mile ☐ (very low).

Real estate property taxes paid for housing units in 2011:
 This zip code: **(1,300)** **1.1%**
 Arizona: **0.9% (\$1,365)**

Median real estate property taxes paid for housing units with mortgages in 2011: **\$1,344 (0.5%)**
 Median real estate property taxes paid for housing units with no mortgage in 2011: **\$1,176 (0.5%)**

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Males: 22 (26.8%)
 Females: 60 (73.2%)

For population 25 years and over in 86015:

- High school or higher: 100.0%
- Bachelor's degree or higher: 100.0%
- Graduate or professional degree: 100.0%
- Unemployed: 48.8%
- Mean travel time to work (commute): 0.0 minutes

For population 15 years and over in 86015:

- Never married: 0.0%
- Now married: 100.0%
- Separated: 0.0%
- Widowed: 0.0%
- Divorced: 0.0%

Zip code 86015 compared to state average:

- Median household income **significantly below** state average.
- Median house value **significantly below** state average.
- Unemployed percentage **significantly above** state average.
- Black race population percentage **significantly below** state average.
- Hispanic race population percentage **significantly below** state average.
- Median age **significantly above** state average.
- Foreign-born population percentage **significantly below** state average.
- Renting percentage **significantly below** state average.
- Number of rooms per house **significantly above** state average.
- House age **above** state average.
- Number of college students **above** state average.
- Percentage of population with a bachelor's degree or higher **significantly above** state average.



EXHIBIT C

98% of homes in Bellemont are on a 3/4" meter according to the court documents.

Bellemont			
5/8"x3/4" and 3/4" meter			
Rate per 1000 Gallons	Current	Proposed	
Water 0-4000	\$ 4.80	\$ 8.25	
Water 4000-9000	\$ 7.16	\$ 15.75	
Water Over 9000	\$ 8.60	\$ 21.75	
Sewer	\$ 5.84	\$ 5.31	
Base Water	\$ 18.50	\$ 41.07	
Base Sewer	\$ -	\$ 79.50	

→ Pop (2010) 385

Kachina			
3/4" meter			
Rate per 1000 Gallons	Current		
Water 1-3000	\$ 1.56		
Water 3001 -6000	\$ 2.68		
Water 6001 - 9000	\$ 4.68		
Water 9001 - 12000	\$ 7.48		
Water 12001 -50000	\$ 12.47		
Water Above 50000	\$ 19.94		
Sewer 1- 3000	\$ 3.34		
Sewer 3000 - 6000	\$ 6.23		
Sewer Above 6000	N/C		
Base Water	\$ 19.67		
Base Sewer	\$ 25.91		

Doney Park			
5/8"x3/4" and 3/4" meter			
Rate per 1000 Gallons	Current		
Water 1-4000	\$ 5.70		
Water 4001 -10000	\$ 7.70		
Water Above 10000	\$ 9.70		
Sewer	N/A		
Base Water	\$ 21.95		
Base Sewer	N/A		

3500 Gallon Usage Cost *Not including tax					
	Approximate number of customers serviced	Source Information	Water	Sewer	Total
Bellemont- now	400	AZCC docket	\$ 35.30	\$ 20.44	\$ 55.74
Bellemont- proposed	400	AZCC docket	\$ 69.95	\$ 98.09	\$ 168.03
Kachina	1370	http://www.	\$ 25.69	\$ 39.05	\$ 64.74
Doney Park	3300	http://www.	\$ 41.90	0	\$ 41.90
Mountaineire Water	600	http://pond.	\$ 36.88	0	\$ 36.88
Munds Park Water	2900	http://www.	\$ 33.47	0	\$ 32.76
City of Flagstaff- inside town	?	http://www.	\$ 25.56	\$ 13.30	\$ 38.86
City of Flagstaff- outside town	?		\$ 28.12	\$ 14.63	\$ 42.75

**

(2010) → Pop 2,622

→ Pop (2010) 5,395

EXHIBIT C

ALL POPULATION DATA FROM
WWW.CITY-DATA.COM

8/18/2014

- pop (2010) 631

Munds Park Water 3/4" meter	
Rate per 1000 Gallons	Current
Water 1-3000	\$ 2.12
Water 3001-10000	\$ 3.55
Water Above 10000	\$ 4.47
Sewer	
Base Water	\$ 25.33
Base Sewer	

→ pop (2012)
67,468

(2010)
→ pop 1,119

Mountaineire Water 5/8"x3/4" and 3/4" meter	
Rate per 1000 Gallons	Current
Water 0 - 2500	3.45
Water 2501 - 8000	4.00
Water Above 8001	4.25
Sewer	N/A
Base Water	\$ 24.25
Base Sewer	N/A

City of Flagstaff 3/4" meter		
Rate per 1000 Gallons	Current inside town	Current outside town
Water 1-3700	\$ 3.58	3.94
Water 3701-6400	\$ 4.39	4.83
Water 6401-11700	\$ 6.27	6.9
Water Above 11701	\$ 11.64	12.8
Sewer	\$ 3.80	4.18
Base Water	\$ 13.03	14.33
Base Sewer	\$ -	\$ -

Mountaineire Water Munds Park Water
Ponderosa Utility Corp. (928) 282-5555
949 West Osage Pinewood Sanitary District
Flagstaff, AZ 86001 (928) 286-9166
(928) 525-6210
usage from Vera Hendrix

2013 Annual Drinking Water Quality Report For

→ **Flagstaff Meadows Water System** ←

Public Water System Number: AZ0403300

Esta es información importante. Si no la pueden leer, necesitan que alguien se la traduzca.

We are pleased to present to you this year's water quality report. Our constant goal is to provide you with a safe and dependable supply of drinking water. We are pleased to report that our drinking water is safe and meets all federal and state requirements.

General Information About Drinking Water

All drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The presence of contaminants does not necessarily indicate that the water poses a health risk. Some people may be more vulnerable to contaminants in drinking water than the general population. Immuno-compromised persons such as persons with cancer undergoing chemotherapy, persons who have undergone organ transplants, people with HIV-AIDS or other immune system disorders, some elderly, and infants can be particularly at risk of infections. These people should seek advice about drinking water from their health care providers. For more information about contaminants and potential health effects, or to receive a copy of the U.S. Environmental Protection Agency (EPA) and the U.S. Centers for Disease Control (CDC) guidelines on appropriate means to lessen the risk of infection by *Cryptosporidium* and microbiological contaminants call the EPA Safe Drinking Water Hotline at 1-800-426-4791.

The sources of drinking water (both tap water and bottled water) include rivers, lakes, streams, ponds, reservoirs, springs, and wells. As water travels over the surface of the land or through the ground, it dissolves naturally occurring minerals and, in some cases, radioactive material, and can pick up substances resulting from the presence of animals or from human activity. Contaminants that may be present in source water include:

- **Microbial contaminants**, such as viruses and bacteria that may come from sewage treatment plants, septic systems, agricultural livestock operations, and wildlife.
- **Inorganic contaminants**, such as salts and metals, which can be naturally-occurring or result from urban stormwater runoff, industrial or domestic wastewater discharges, oil and gas production, mining, or farming.
- **Pesticides and herbicides** that may come from a variety of sources, such as agriculture, urban stormwater runoff, and residential uses.
- **Organic chemical contaminants**, including synthetic and volatile organic chemicals, which are byproducts of industrial processes and petroleum production, and also may come from gas stations, urban stormwater runoff, and septic systems.
- **Radioactive contaminants**, that can be naturally occurring or be the result of oil and gas production and mining activities.

In order to ensure that tap water is safe to drink, the Arizona Department of Environmental Quality prescribes regulations limiting the amount of certain contaminants in water provided by public water systems. The Food and Drug Administration regulations establish limits for contaminants in bottled water.

Our Water Sources

The system's sources of water are listed below.

Well name	Location	Depth in feet
Dw1	North of Bellemont Hotel	2440
Dw2	West of Pilot Travel Center	2100
Dw3	West of Pilot Travel Center	2825
Dw4	East of Flagstaff Meadows	2900
Sw1	West of Pilot Travel Center	105
Sw2	West of Pilot Travel Center	215
Sw3	West of Pilot Travel Center	240

In 2003, the Arizona Department of Environmental Quality (ADEQ) completed a Source Water Assessment of the Flagstaff Meadows Water System PWS# 03-300. The Assessment reviewed the adjacent land uses that may pose a potential risk to the wells. The result of the Assessment was a low risk to the source. Residents can help protect sources by taking hazardous household chemicals to hazardous material collection sites, and limiting pesticide and fertilizer use.

The complete Assessment is available for inspection at the ADEQ, 1110 West Washington Street, Phoenix, Arizona 85007, between the hours of 8:00 a.m. and 5:00 p.m. Electronic copies are available from ADEQ at dml@azdeq.gov or visit the ADEQ's Source Water Assessment and Protection Unit website at: www.azdeq.gov/enviro/water/dw/swap.html.

You may also contact Heather Miller at 1-602-771-4636 at ADEQ for more information, or call Utility source's office at 1-866-768-3500 to request information.

Terms and Abbreviations

To help you understand the terms and abbreviations used in this report, we have provided the following definitions:

- **Parts per million (ppm) or Milligrams per liter (mg/L)** - one part per million corresponds to one minute in two years or a single penny in \$10,000.
- **Parts per billion (ppb) or Micrograms per liter (µg/L)** - one part per billion corresponds to one minute in 2,000 years, or a single penny in \$10,000,000.
- **Parts per trillion (ppt) or Nanograms per liter (nanograms/L)** - one part per trillion corresponds to one minute in 2,000,000 years, or a single penny in \$10,000,000,000.
- **Parts per quadrillion (ppq) or Picograms per liter**

(picograms/L) - one part per quadrillion corresponds to one minute in 2,000,000,000 years or one penny in \$10,000,000,000,000.

- **Picocuries per liter (pCi/L)** - picocuries per liter is a measure of the radioactivity in water.
- **Nephelometric Turbidity Unit (NTU)** - nephelometric turbidity unit is a measure of the clarity of water. Turbidity in excess of 5 NTU is just noticeable to the average person.
- **Action Level (AL)** - the concentration of a contaminant which, if exceeded, triggers treatment or other requirements which a water system must follow.
- **Action Level Goal (ALG)** - The "Goal" is the level of a contaminant in drinking water below which there is no known or expected risk to health. The ALG allows for a margin of safety.
- **Treatment Technique (TT)** - A treatment technique is a required process intended to reduce the level of a contaminant in drinking water.
- **Maximum Contaminant Level Goal (MCLG)** - The "Goal" is the level of a contaminant in drinking water

below which there is no known or expected risk to health. MCLGs allow for a margin of safety.

- **Maximum Contaminant Level (MCL)** - The "Maximum Allowed" is the highest level of a contaminant that is allowed in drinking water. MCLs are set as close to the MCLGs as feasible using the best available treatment technology.
- **Maximum Residual Disinfectant Level Goal (MRDLG)**: The level of a drinking water disinfectant, below which there is no known or expected risk to health. MRDLGs do not reflect the benefits of the use of disinfectants to control microbial contaminants.
- **Maximum Residual Disinfectant Level (MRDL)**: The highest level of a disinfectant allowed in drinking water. There is convincing evidence that addition of a disinfectant is necessary for control of microbial contaminants.
- **Running Annual Average (RAA)**: An average of monitoring results for the previous 12 calendar months.

Water Quality Data

We routinely monitor for contaminants in your drinking water according to Federal and State laws. The State of Arizona requires us to monitor for certain contaminants less than once per year because the concentrations of these contaminants are not expected to vary significantly from year to year, or the system is not considered vulnerable to this type of contamination. Some of our data, though representative, may be more than one year old.

DETECTED WATER QUALITY CONSTITUENTS

Lead and Copper

Contaminant	AL	ALG	Units	90 th Percentile	Number of Sites over AL	Violation (Yes or No)	Sample Date/Year	Likely Source of Contamination
Copper	1.3	1.3	ppm	0.08	0	No	7-22-10	Corrosion of household plumbing systems; erosion of natural deposits; leaching from wood preservatives
Lead	15	0	ppb	1	0	No	7-22-10	Corrosion of household plumbing systems, erosion of natural deposits

Inorganic Contaminants

Contaminant	MCL	MCLG	Units	Level Detected	Violation (Yes or No)	Sample Date	Likely Source of Contamination
Barium	2	2	ppm	0.028	No	10-1-12	Discharge of drilling wastes; discharge from metal refineries; erosion of natural deposits
Nitrate (as Nitrogen)	10	10	ppm	0.25	No	9-17-13	Runoff from fertilizer use; leaching from septic tanks, sewage; erosion of natural deposits

Volatile Organic Contaminants

Contaminant	MCL	MCLG	Units	Level Detected	Violation (Yes or No)	Sample Date	Likely Source of Contamination
Xylenes	10	10	ppm	0.002	No	10-2-12	Discharge from petroleum factories; discharge from chemical factories

Radionuclides

Contaminant	MCL	MCL G	Units	Level Detected & Range	Violation (Yes or No)	Sample Date	Likely Source of Contamination
Gross Alpha	15	0	pCi/l	0.8±0.4	No	9-27-12	Erosion of natural deposits

Secondary Contaminants

Secondary standards are non-enforceable guidelines for contaminants that may cause cosmetic effects or aesthetic effects in drinking water. EPA recommends these standards but does not require water systems to comply.

Contaminant	Secondary Standard	MCLG	Units	Level Detected	Violation (Yes or No)	Sample Date	Likely Source
Sodium	N/A	N/A	ppm	26	N/A	10-2-12	unknown

In addition to the water quality constituents listed in the above table, Flagstaff Meadows' water supplies were tested for the following constituents and such constituents were **not detected**: Arsenic, Fluoride, Total Coliform Bacteria, Fecal Coliform, *E. Coli*, Antimony, Asbestos, Beryllium, Cadmium, Chromium, Cyanide, Mercury (Inorganic), Nickel, Nitrite, Selenium, Thallium, 2,4-D, 2,4,5-TP (Silvex), Alachlor, Atrazine, Benzo(a)pyrene (PAH), Carbofuran, Chlordane, Dalapon, Di(2-ethylhexyl) Adipate, Di(2-ethylhexyl) Phthalate, Dibromochloropropane, Dinoseb, Diquat, Endothall, Endrin, Ethylene Dibromide, Glyphosate, Heptachlor, Heptachlor Epoxide, Hexa-chlorobenzene, Hexachlorocyclopentadiene, Lindane, Methoxychlor, Oxamyl (Vydate), PCBs (Polychlorinated Biphenyls), Pentachlorophenol, Picloram, Sima-zine, Toxaphene, Benzene, Carbon Tetrachloride, (Mono)Chlorobenzene, o-Dichlorobenzene, p-Dichlorobenzene, 1,2-Dichloroethane, 1,1-Dichloroethylene, cis-1,2-Dichloroethylene, trans-1,2-Dichloroethylene, Dichloromethane, 1,2-Dichloropropane, Ethylbenzene, Styrene, Tetrachloroethylene, 1,2,4-Trichlorobenzene, 1,1,1-Trichloroethane, 1,1,2-Trichloroethane, Trichloroethylene, Toluene, Vinyl Chloride, Haloacetic Acids (HAA), Total Trihalomethanes (TTHM), Combined Radium 226/228, Radium 226, Radium 228

Health Effects Information About the Above Tables

Nitrate in drinking water at levels above 10 ppm is a health risk for infants of less than six months of age. High nitrate levels in drinking water can cause blue baby syndrome. Nitrate levels may rise quickly for short periods-of-time because of rainfall or agricultural activity. If you are caring for an infant, and detected nitrate levels are above 5 ppm, you should ask advice from your health care provider.

If **arsenic** is less than the MCL, your drinking water meets EPA's standards. EPA's standard balances the current understanding of arsenic's possible health effects against the costs of removing arsenic from drinking water. EPA continues to research the health effects of low levels of arsenic, which is a mineral known to cause cancer in humans at high concentrations and is linked to other health effects such as skin damage and circulatory problems.

Infants and young children are typically more vulnerable to **lead** in drinking water than the general population. It is possible that lead levels at your home may be higher than at other homes in the community as a result of materials used in your home's plumbing. If you are concerned about elevated lead levels in your home's water, you may wish to have your water tested. Flush your tap for 30 seconds to 2 minutes before using tap water. Additional information is available from the EPA *Safe Drinking Water Hotline* at 1-800-426-4791.

This notice is available in Spanish upon request from the Flagstaff Meadows Water Company at 1-866-768-3500.

Any ADEQ translation or communication in a language other than English is unofficial and not binding on the State of Arizona. Cualquier traducciOn o comunicado de ADEQ en un idioma diferente al ingles no es oficial y no sujetaré al Estado de Arizona a ninguna obligaciOn juridica"